


64TH CONFERENCE ON EXCEPTIONAL CHILDREN


**WORKING TOGETHER
TO ACHIEVE STUDENT SUCCESS**

Medicaid Cost Recovery Updates

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Today's Topics

- FFS & MAC
- Medical Necessity & Educational Relevance
- Documentation
- LEA RAC Audits
- Your Questions Answered



Medicaid Administrative Claiming (MAC)

- Acknowledges LEAs serve as administrative arm for DMA
 - Education about the Medicaid program
 - Application support
 - Assistance in accessing services
- Requires quarterly random moment time study participation
 - Who was with you?
 - What were you doing?
 - Why were you performing this activity?
 - Was the service covered in a student's IEP?



Fee-for-service (FFS)

- Rules for LEAs outlined in DMA Clinical Coverage Policy 10C <http://www.ncdhhs.gov/dma/mp/8h.pdf>
- Compliance with MAC required to participate in FFS
- Reimbursable services include:
 - Audiology
 - Occupational therapy
 - Physical therapy
 - Psychological/counseling services
 - Speech/Language therapy
 - Nursing



Parent consent

- Required to access student's Medicaid benefits:
 - One-time parental consent
 - Annual notification
- <http://ec.ncpublicschools.gov/finance-grants/medicaid-in-education/resources>



Educationally relevant therapy services

- Must address educational and/or functional impact of student's disability
- Must be unique to school setting
- Must address student's need to participate at school
- Must require the therapist's license to deliver
- Must not be routinely duplicable by other school staff



Medically necessary therapy services

- Are essential to prevent, diagnose or treat medical conditions OR
- Are essential to enable the individual to attain, maintain or regain functional capacity
- Are provided within professionally accepted standards of practice and national guidelines
- Are required to meet the physical and behavioral health needs of the individual
- Are not for the convenience of the individual, the provider or the payor



Documentation

- Licensure board standards apply
- Narrative format helps
- Clear record of assistant supervision, when relevant
- Services provided by student interns allowable/ documented by supervising therapist
- Evaluation reports should include:
 - copy of each test performed or a summary listing all test results
 - written evaluation report



Service Delivery Plan and Dates

- Medicaid reads service delivery as written (e.g., 7x/9 weeks is 7x/9 weeks)
- Services provided in excess of the IEP service delivery plan are not covered
- Services provided after the 21st birthday are not covered



Intervention notes

- Minimum of four components for treatment notes:
 - Goal targeted
 - Skilled interventions used → medical necessity must be evident
 - Student's response
 - Plan for continued treatment
- Duration of service in minutes
- Signature and credentials of provider



Services provided by therapy assistants & interns

- Services provided by students may be claimed if:
 - Supervising therapists reviews and signs all intern documentation
 - Supervising therapist submits documentation for claim
 - All applicable laws, statutes, and licensure regulations are met
- Supervised CFYs, OT & PT assistants submit own claims
- SLP assistants require supervising SLP signature for claim submission



NEW DMA RECOVERY AUDIT CONTRACTOR (RAC)

Health Management Systems (HMS) = NC RAC auditor

- Email – NCRACII@HMS.com
- Web site – <http://www.medicaid-rac.com/ncproviders>
- HMS Provider portal – <https://ecenter.hmsy.com>
- Phone – 855-438-6415



RAC Rules

- LEA audits likely starting after Sept, 2014
- Nurses conducting initial review; appeals reviewed by discipline
- 36-month look-back from date of request to date claim was paid
- Up to 300 claim records every 45 days can be requested
- 30 calendar days to provide documentation for claim to auditors
- 3-6 month extrapolation frame to be determined on case-by-case basis



RAC focus

- MD order matches dates of service and services billed
- Services rendered support and substantiate the condition/ correspond to diagnosis
- Units billed match units documented
- Current plan of care
- Proper supervision of assistants



Key points & Recommendations

- RAC audits are about to begin; DPI Medicaid consultants are available to help LEAs
- Therapists need a system to “write it once”
- Self-audit and peer review strongly encouraged
- Ensure all documentation to support claim is submitted
- Provide auditor cover letter; flag key documents or highlight information



Medicaid Resources

- DPI Medicaid website:
<http://ec.ncpublicschools.gov/finance-grants/medicaid-in-education>
- Medicaid Policy 10C: Local Education Agencies
<http://www.ncdhhs.gov/dma/mp/8h.pdf>
- National Alliance on Medicaid in Education
<http://www.medicaidforeducation.org/>
- DPI Medicaid listserv – send email from the intended address: join-medicaid@lists.dpi.state.nc.us



Questions & Answers

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